

Minutes of the Finance Committee

Monday, October 4, 2004

Chair Haukohl called the meeting to order at 8:46 a.m.

Present: Supervisors Pat Haukohl (Chair), Don Broesch, Jim Behrend, and Joe Marchese. Genia Bruce and Ken Herro arrived at 8:59 a.m. **Absent:** Bonnie Morris.

Also Present: Legislative Policy Advisor Mark Mader, County Board Supervisors Andy Kallin and Bill Kramer, Budget Manager Keith Swartz, County Board Chair Jim Dwyer, Budget Specialist Linda Witkowski, County Board Supervisor Joe Griffin, Administration Director Norm Cummings, Collections & Business Services Manager Sean Sander, Senior Financial Analyst Linda Hein, Risk Management Administrator Laura Stauffer, and Information Systems Manager Mike Biagioli.

Approve Minutes of 9-8

MOTION: Marchese moved, second by Broesch to approve the minutes of August 8, 2004. Motion carried 4-0.

Chair's Executive Committee Report of 9-13 & 9-16

Haukohl advised of the following issues discussed at the last Executive Committee meetings.

- Reviewed capital projects in length. Haukohl will propose an amendment regarding the phase II jail construction to be considered at a future meeting.

Marchese left the meeting at 8:52 a.m. and County Board Chair Dwyer entered for quorum purposes.

- Voted on the Wisconsin Counties Association resolutions.

Schedule Next Meeting Dates

October 6th.

Information Management Panel Report of 9-24

Behrend said the majority of the meeting was spent discussing the delay of the County Communications Center.

At 8:59 a.m., Bruce and Herro arrived, Marchese returned, and Dwyer left the meeting.

2005 Budget Overview

Swartz gave an overview of the 2005 budget book including the Tax Levy Summary, Budget Summary, Budget Increases, Budget Assumptions, Expenditure Summary and Highlights, and the Revenue Summary and Highlights. Witkowski reviewed the Statistics and Trends chapter.

Swartz discussed the proposed 2005 budget and its impact on the homeowner. He said the County general tax levy for 2005 is \$84.9 million. This represents a rate reduction to about \$2.11, which is a 10-cent reduction. This is due to limiting levy growth and strong property valuation growth. The Federated Library tax levy is \$2.7 million – about 24 cents, down 2 cents, per thousand. The overall levy is \$87.6 million, or about a \$3.3 million increase, which is just under 4%. The 2003 value of a home was \$218,700 and rose up for residential inflation by about 7.58% to \$235,300. The County tax on that would be \$496.51, an increase of about \$13.29 or 2.8% from the prior year. Even though there's an overall levy increase of about 4%, the actual impact on the homeowner is 2.8% because some of that levy is spread

across new property growth. Over a 10-year period, the average impact on the homeowner has been less than 1.4% each year and this is less than the rate of inflation over that 10-year period.

Swartz indicated the County's proposed 2005 total expenditure budget is \$254,198,532 – an increase of \$17,148,400 from 2004. Revenues are budgeted at \$152,829,329 – an increase of \$14,185,284. Fund balance appropriations are budgeted at \$13.7 million – a reduction of about \$376,000. The County General tax and Library tax combined is \$84,083,624 – an increase of \$1.9 million or 2.31%. The operating budget consists of expenditures at \$224,471,000 – an increase of \$15,765,000 or 7.55%. Much of the increase is in Health & Human Services programming. The levy for operating the expenditure budget is \$82,823,700 – an increase of \$3,255,000 or about 4%. The capital budget consists of \$29,727,000 – an increase of almost \$1.4 million in expenditures. Revenues are at \$19,000,000 – an increase of \$1,700,000. The fund balance used against the capital plan is \$5,855,000 – a slight reduction of about \$400,000. The tax levy used in the capital budget is about \$4,837,500 – an \$84,000 increase.

Swartz discussed 2005 budget drivers. Over 60% of the increase in expenditures in the Health & Human Services Department is due to the transfer of program responsibilities from the State to the County. About \$11 million has been shifted into the County budget, primarily for autism and developmental disability programming. Another major driver is the jail expansion. Partial year jail expansion costs for 2005 are estimated at \$1.6 million in expenditures and about \$900,000 in new levy. This also involves the creation of 23.5 new FTE positions in the Sheriff's Department and 4 new FTE positions in the Public Works Department for housekeeping and maintenance. Expenditures for the Communications Center increased about \$1.1 million and the levy increased \$1.3 million. Add to this the capital budget as discussed earlier. Swartz discussed a decrease in State Transportation Aids funding and reductions in State Highway Maintenance revenues. Mandate relief funds have also decreased.

Discuss and Consider the 2005 Operating Budget for the Department of Administration

Cummings and staff discussed the proposed 2005 operating budget for the Department of Administration as outlined in the budget book. Proposed expenditures are budgeted at \$11,369,910; a decrease of 0.8% from 2004. Major 2005 General Fund expenditures include cost-to-continue salaries, Wisconsin Retirement contributions, and the End User Technology Fund. Proposed revenues are budgeted at \$5,826,854 which is a decrease of 3.7%. The total tax levy is \$5,473,481, an increase of \$33,654 or 0.6%. Cummings and staff highlighted 2004 departmental achievements and 2005 objectives. Budgeted positions increased a total of 0.05 FTE from 2004 to 2005.

MOTION: Herro moved, second by Broesch to tentatively approve the 2005 operating budget and the positions therein for the Department of Administration. Motion carried 6-0.

MOTION: Bruce moved, second by Marchese to adjourn at 12:35 p.m. Motion carried 6-0.

Recorded by Mary Pedersen, Legislative Associate.

Respectfully submitted,

Bonnie J. Morris
Secretary